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Agenda item 127

Financing of the United Nations Protection Force, the United Nations Confidence Restoration Operation in Croatia, the United Nations Preventive Deployment Force and United Nations Peace Forces headquarters

Note by the Secretary-General

1. In paragraph (d) of its decision 52/485 of 26 June 1998, the General Assembly decided to defer consideration of the treatment of the unencumbered balance arising in respect of the period from 1 July 1996 to 30 June 1997 pending the submission of the final performance report for the United Nations Peace Forces.

2. The final performance report for the United Nations Peace Forces is not expected to be issued until the fifty-fourth session of the General Assembly owing to various pending items, some of which are still being negotiated with troop-contributors. It is anticipated that the final performance report will include a request for the appropriation of additional funds by the General Assembly in order to settle amounts owed to Governments. However, the exact amounts to be appropriated and/or assessed cannot be determined until all of the following issues are finalized:

(a) **Determination of amounts owed for usage of contingent-owned equipment, as well as for reimbursement for loss of equipment.** Out of a total of 30 troop-contributing countries, amounts owed for usage of equipment have only been finalized in respect of 13 troop contributors. The issue of compensation for loss of contingent-owned equipment has yet to be addressed. In this connection, it should be noted that financial rule 110.32 was recently amended for the purpose of expanding the Property Survey Board's mandate to include the consideration of claims from Governments for loss of or damage to contingent-owned equipment that they contributed to peacekeeping and similar operations;

Once the total amount to be reimbursed has been determined, it is anticipated that additional funds will have to be appropriated to cover all reimbursement costs. It will be recalled that in paragraph 18 of its report A/50/903/Add.1, the Advisory Committee on Administrative and Budgetary Questions recommended that the provision for contingent-owned equipment be reduced by $51.5 million, pending the results of the review of the surveys to be conducted by staff of the United Nations Peace Forces and their subsequent negotiations with the contingents. The General Assembly, in its resolution 50/235 of 7 June 1996, took note of the comments contained in paragraph 18 of the Advisory Committee's report and decided to keep the amounts budgeted for provision for reimbursement for contingent-owned equipment under review, pending completion of the

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Secretary-General's efforts to process outstanding contingent-owned equipment reimbursement claims;

(b) **Processing of Government claims for goods and services provided to the United Nations Peace Forces.** Claims continue to be received, and in some cases no funds were ever reserved in the accounts to meet the cost of these goods and services. A total of 17 such claims have been received to date from nine Governments which total some $13 million. Additional funds will have to be appropriated for settlement of these claims;

(c) **Settlement of death and disability claims.** A total of 476 claims have been approved for payment to date out of a total of 1,733 reported incidents. The total value of these claims amounts to some $38 million. A total of $44 million was obligated for the purpose of settling death and disability claims. Additional funds may be required for this item if further claims are submitted in excess of the available funds;

(d) **Settlement of troop reimbursement.** There are currently two cases pending with regard to troop reimbursement, one for additional reimbursement and one for recovery of payments already made. Both cases are under negotiation with the respective Governments;

(e) **Review of accounts and liquidation of obligations.** Total unliquidated obligations for the United Nations Peace Forces currently amount to approximately $422 million, of which some $168 million is for contingent-owned equipment and some $6 million is for death and disability compensation. The savings arising from any obligations determined to be no longer required and subsequently liquidated will be available to Member States for offset against any additional assessment made for the United Nations Peace Forces.

3. Additional funds will also need to be appropriated for the value of the budgeted voluntary contributions in kind to the rapid reaction force which the General Assembly decided in paragraph 9 of its resolution 50/235, should be included in the assessed budget of the United Nations Peace Forces and for which reimbursement should be made to the Member State(s) concerned. These contributions have been valued at $12.5 million.

4. Other pending matters include the recovery of payments made by the United Nations Peace Forces for items that should have been provided without cost under the status-of-forces agreements and a claim from the Government of Bosnia and Herzegovina in the amount of $70.7 million. The Secretary-General was requested by the General Assembly, in its resolution 51/12 of 4 November 1996, to pursue recovery of these expenditures and to withhold settlement of claims submitted by the Governments concerned until the matter of the expenditures was resolved. No reimbursement has been made to the United Nations to date for these expenditures and no payments have been made to the Government of Bosnia and Herzegovina.

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Financing of the United Nations Assistance Mission for Rwanda

Financing of the United Nations Assistance Mission for Rwanda

Note by the Secretary-General

1. The present note has been submitted to provide information on the status of unfinished work related to the financial liquidation of the United Nations Assistance Mission for Rwanda (UNAMIR).

2. UNAMIR was established by the Security Council in its resolution 872 (1993) of 5 October 1993. By the same resolution, the Security Council approved the proposal that the United Nations Observer Mission Uganda-Rwanda (UNOMUR), established earlier by the Council in its resolution 846 (1993) of 22 June 1993, be integrated within UNAMIR. In accordance with Council resolution 928 (1994) of 20 June 1994, UNOMUR's mandate expired on 21 September 1994. The Assistance Mission's mandate has been revised and extended by the Security Council in subsequent resolutions, and in its resolution 1029 (1995) of 12 December 1995, the Council extended the Mission for a final period until 8 March 1996. By the same resolution, the Council requested the Secretary-General, *inter alia*, to initiate planning for the complete withdrawal of UNAMIR within a period of six weeks after the expiry of its mandate. By its further resolution 1050 (1996) of 8 March 1996, the Council took note of the arrangements made by the Secretary-General for the withdrawal, starting on 9 March 1996, as outlined in his report of 29 February 1997 (S/1996/149), which envisaged the withdrawal of the last military elements of UNAMIR by mid-April 1996.

3. With the withdrawal of the military component of UNAMIR from Rwanda completed by 20 April 1996, most of the Mission's administrative staff were also compelled to leave by that date, in compliance with the wishes of the Government of Rwanda. From 20 April to 31 December 1996, the liquidation of UNAMIR continued from its administrative offices established at Nairobi. Thereafter, a small liquidation team was assembled at United Nations Headquarters in New York until 31 December 1997, in connection with the residual administrative tasks related to the closing of the Mission.

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4. For the period since the inception of UNOMUR and UNAMIR on 22 June and 5 October 1993, respectively, the General Assembly appropriated a total amount of $512,318,000 gross for the Missions' operations. That amount has been assessed on Member States. Credits returned to Member States amounted to $49,887,593 gross, inclusive of $38,067,793 gross utilized in accordance with Assembly resolutions 49/251 of 20 July 1995, 50/213 A of 23 December 1995, 50/213 B and C of 11 April and 7 June 1996, 51/215 A of 18 December 1996, 51/215 B of 13 June 1997 and 52/218 of 22 December 1997 for the financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994. Pursuant to Security Council resolution 872 (1993) (see para. 2 above), UNOMUR had been integrated administratively within UNAMIR by 22 December 1993, and costs related to its operation have been reflected in the special account for UNAMIR since that date. As of 30 June 1998, combined expenditures for the period since the Missions' inception amounted to $445,735,700 gross, inclusive of unliquidated obligations of $29,303,000, after taking into account savings arising from unutilized obligations pertaining to prior periods and other adjustments. The resulting unencumbered balance amounts to $16,694,700 (see annex, line VI). A summary of financial performance information for UNOMUR and UNAMIR since inception as of 30 June 1998 is contained in the annex.

5. By its resolution 50/211 B of 7 June 1996, the General Assembly approved the application to UNAMIR of the special arrangements as regards article IV of the financial regulations of the United Nations to authorize the retention of unliquidated obligations in the Mission's special account for goods supplied and services rendered by Governments, for an additional period of four years following the end of the 12-month period provided for in financial regulation 4.3. As of 31 December 1998, unliquidated obligations retained in the special account for UNAMIR amounted to $28.4 million, compared with $35.0 million recorded as of 31 December 1997. As of the same date, from the total amount of $495.3 million assessed on Member States, an amount of $26.0 million, representing 5.2 per cent of the amount assessed, remained uncollected. There are no outstanding amounts owed to troop-contributing countries for troop costs incurred in UNAMIR.

6. As indicated in the Mission's financing report of 14 March 1997 (A/51/830), a number of unforeseen developments had an impact on the Mission's activities during its final mandate and withdrawal periods, including difficulties in arranging for the removal and transfer of the United Nations-owned equipment and non-expendable assets. Certain deficiencies in inventory control and record keeping were also attributable to the withdrawal of UNAMIR from Rwanda in the aftermath of the events of April 1994. As a result, the verification and reconciliation of inventories and of historical inventory and residual values, the review and processing of property survey cases, and the preparation of the write-off actions could not be completed within the originally envisaged time-frame. Although progress has been made in that respect, a number of outstanding issues remain to be finalized, in particular the reconciliation of outgoing shipments with inventory data of missions to which, according to UNAMIR records, equipment had been transferred. In addition, action has yet to be taken on government claims for the contingent-owned equipment reported as lost, stolen or abandoned in Rwanda in April 1994, for which no provision had been made in the budgets of UNAMIR. Resolution of those outstanding issues is essential in order to establish authoritatively the actual resource requirements of the Mission, and to facilitate the determination by the General Assembly of the appropriate course of action in connection with the financing of UNAMIR. Accordingly, it is anticipated

that final performance information for the Mission, together with the final report on the disposition of its assets, could be prepared and submitted to the Advisory Committee on Administrative and Budgetary Questions and the Fifth Committee during the fifty-fourth session of the General Assembly.

7. In addition, the General Assembly has yet to consider the financial performance report of UNAMIR for the period from 1 July 1996 to 30 June 1997 dated 24 December 1997 (A/52/752), and to decide on the treatment of $4,615,400 gross ($4,409,500 net) from the period 10 June to 31 December 1995 reported in document A/50/712/Add.3 of 21 August 1996.

8. The General Assembly is invited to take note of the information contained in the present note.

Annex

United Nations Observer Mission Uganda-Rwanda (UNOMUR) and United Nations Assistance Mission for Rwanda (UNAMIR): financial performance information since inception as of 30 June 1998

Summary statement

(Gross, thousands of United States dollars)

I.	Appropriations	512 318.0
II.	Expenditure	435 657.0
	Plus: Adjustments (after application of savings due to unutilized prior periods' obligations and other adjustments)	10 078.7
	Total, line II	**445 735.7**
III.	Balance (I – II)	66 582.3
IV.	Credits returned to Member States	(11 819.8)
V.	Credits utilized for the financing of International Tribunal for Rwanda	(38 067.8)
VI.	Unencumbered balance (III – IV + V)*	16 694.7
VII.	Interest income	11 194.0
VIII.	Other/miscellaneous income	3 981.0
IX.	**Total available balance (VI + VII + VIII)***	**31 869.7**

* Including unencumbered balance of $4,615,400 gross from the period 10 June to 31 December 1995 (see A/50/712/Add.3 of 21 August 1996).